



JUL - 7 2005

The Honorable Mitt Romney
Governor of Massachusetts
State House
Room 360
Boston, Massachusetts 02133

Dear Governor Romney:

It is with pleasure that I respond to the Commonwealth of Massachusetts' request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the Commonwealth submitted four requests for waivers. The following is the disposition of the Commonwealth's waiver submission (copy enclosed).

Requested Waiver 1: Waiver to combine follow-up services with youth program design framework services, without a need for a competitive procurement process.

The Commonwealth indicates that providers of framework services are in a better position to provide follow-up services to youth, and the requirement of an additional competitive process for follow-up services is duplicative and burdensome. The request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). The Commonwealth is granted a waiver of the WIA Section 123 requirement to competitively select providers of the 12-month follow-up services youth program element, at WIA Section 129(c)(2)(I), through June 30, 2007.

Requested Waiver 2: Waiver to allow eligibility to participate in the National School Lunch program as a proxy for eligibility for WIA youth services, at WIA Section 101(25) and 20 CFR 664.240.

Provisions related to eligibility of providers and participants are excluded from the WIA waiver authority, and cannot be waived. The statute provides some flexibility to states in this area through a limited exception to the low-income criterion at WIA Section 129(c)(5). Additionally, the regulations (20 CFR 661.120) give states and local governments authority to establish their own policies and guidelines relating to verifying and documenting eligibility, as long as they are consistent with the statute, the regulations and other federal statutes.

Requested Waiver 3: Waiver to increase transfer authority of Local Workforce Investment Boards from the current 30 percent to 50 percent for Adult and Dislocated Worker funds.

This waiver request for funds transferability is consistent with one of the improvements that the Administration is seeking in the reauthorization of the Workforce Investment Act – the consolidation of the WIA Adult, WIA Dislocated Worker and Wagner-Peyser Act (Employment Service) funding streams. The request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the Commonwealth of Massachusetts is granted a waiver of the funds transfer limitation at WIA Section 133(b)(4), through June 30, 2007. The waiver allows the Commonwealth to approve local area requests to transfer up to 50 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

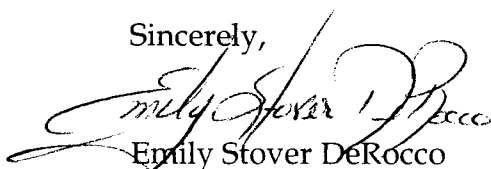
Requested Waiver 4: Waiver to use Individual Training Accounts (ITAs) for youth participants.

The Commonwealth indicates that the waiver would offer flexibility in using youth funds to provide training services to youth while retaining limited adult funds to be used on adult training services. The request further states that the waiver will allow local areas to enhance delivery of occupational skills training and increase customer choice for youth. The request is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appears to meet the standard for approval at 20 CFR 661.420(e). Accordingly, the Commonwealth is granted a waiver of the prohibition on the use of ITAs for older and out-of-school youth, at 20 CFR 664.510, through June 30, 2007. The Commonwealth should ensure that funds used for ITAs are tracked and reflected in the individual service strategies for these youth.

As provided for under paragraph 3 of the executed Agreement, the granted waivers are incorporated by reference into the Commonwealth's WIA Grant Agreement. A copy of this letter should be filed with the WIA Grant Agreement and the Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local-level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Stover DeRocco", is written over a horizontal line.

Emily Stover DeRocco

Enclosure